MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2018 / 2019

DOT5018 – ORGANISATIONAL THEORY

(All sections / Groups)

9 MARCH 2019
9.00 a.m – 11.00 a.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **9** pages with 2 sections.
2. For section A, shade your answers on the OMR sheet provided.
3. For section B, write your answers on the answer booklet provided.
4. Answer all the questions.

SECTION A [40 Marks]

1. Alif's company has a set of skillful engineers that has the ability to create value in their job and directly increase the efficiency and quality of the product. This situation is **BEST** referring to which term?

   A. Core competence.
   B. Strategy.
   C. Organisational development.
   D. Corporate level domain.

2. In order to create core competency, Multimedia University has plan to strengthen their marketing department. This strategy by Multimedia university is called as the _____.

   A. business-level strategy
   B. functional-level strategy
   C. corporate-level strategy
   D. global expansion strategy

3. Ryan Corporation which is operating in Malaysia has decided to expand their business in Korea. The corporation plans to expand their business, so that they can obtain scarce resources in the market. So they decided to implement _____.

   A. global expansion strategy
   B. corporate-level strategy
   C. business-level strategy
   D. functional-level strategy

4. Mavis Corporation produces low priced facial products for all of their customer. This strategy is **BEST** reflecting to?

   A. Differentiation business-level strategy
   B. Focus business-level strategy
   C. Low-cost business-level strategy
   D. Price strategy

5. Which of the below situation is **NOT** a factor that can affect an organisation's choice of structure to create competitive advantage?

   A. Organisation needs to have a greater control on their development, marketing and production if they are producing a wider range of products.
   B. A structure that allow an organisation to serve the needs of its customer is needed if they want to find new customer group.
   C. Organisation should use the same technology to produce new range of product.
   D. Organisation needs to increase their coordination among its function, if their new product development pace increases.

Continued...

6. An organisation that enters into a new domain which allows it to exploit one or more of its existing competences is called as _____.

A. vertical integration
B. related diversification
C. unrelated diversification
D. structural diversification

7. Which of the below is **NOT** a way that can be implemented if an organisation wants to go global?

A. Multidomestic strategy.
B. International strategy.
C. Global strategy.
D. National strategy.

8. Which of the following is related to global matrix structure?

A. Increases the global cost structures.
B. Company's corporate product groups are grouped by state level.
C. Organisational expand on their internal environment.
D. Corporate managers exert centralise control to coordinate global activities.

9. In _____, managers in that particular country has the control over the international division managers.

A. international strategy
B. multidomestic strategy
C. franchising strategy
D. outsourcing strategy

10. An organisation that implements corporate-level strategy requires _____ between divisions as well as _____ between division and headquarters.

A. lateral communication, vertical communication
B. vertical communication, lateral communication
C. horizontal communication, vertical communication
D. one-way communication, close communication

11. Brian Sdn. Bhd. has decided to go for _____ so that the company can improve the way in using resources in order to increase their ability to create value.

A. organisational change
B. organisational development
C. organisational strategy
D. organisational openness

Continued...

12. If Ngoi Ngoi Enterprise plans to exploit the market for new opportunities, which of the below will be the company's target of changes?

A. Global capabilities.
B. Technological capabilities.
C. Organisational resources.
D. Operational strategic capabilities.

13. Evian's company is making a change in their _____. They are putting effort in their training and development department by investing more into that department.

A. human resources level
B. functional resources level
C. organisational resources level
D. stakeholder group level

14. Which of the following is **NOT** the reason to change an organisational structure?

A. Allowing expansion of business in foreign market.
B. Adapting to a variety of national cultures.
C. Permitting the organisation to harness its functional resources.
D. Helping the expatriates to adapt to the cultural value of where they are located.

15. Sonia Corporation fails to make changes in their company due to some resistance. There is a power struggle and conflict between the managers in the production line. This situation is **BEST** referring to _____.

A. Functional-level resistance
B. Organisation-level resistance
C. Group-level resistance
D. Financial-level resistance

16. Which of the below is the correct process according to Lewin's Three-step change process?

A. Freeze – Change - Unfreeze.
B. Change – Unchanged – Freeze.
C. Unfreeze – Change - Freeze.
D. Freeze – Change - Freeze.

17. The managers in Gerald's company has seen gradually and narrowly focused change. This change also has brought a great impact toward the entire process of the company. What type of change this situation is referring to?

A. Innovation change.
B. Revolutionary change.
C. Flexible change.
D. Evolutionary change.

18. Raja & Co is using _____, where they attempt to use information system to improve their performance.

A. complex financial strategy
B. E-engineering
C. flexible work teams
D. restructuring system

Continued...

19. Which of the following term refers to an ongoing and constant effort by all in an organisation's functions to find new ways to improve quality of the organisation's goods and services?

A. Just-in-time.
B. Total Quality Management (TQM).
C. Sociotechnical system.
D. Dynamic quality system.

20. In 2018, Bok Bok Sdn Bhd business has seen a great drop in sales and profit. The company decided to _____ the organisational hierarchy and lay off managers to reduce bureaucratic costs.

A. innovate
B. downsize
C. maximise
D. re-group

21. In the Rational Model of decision making, the first step that a manager should take is _____.

A. select solution
B. implement solution
C. identify problem
D. generate alternative

22. Elvis who is a manager, needs to make a repetitive decision on a current issue occurring in the production line. This is in order for all the production line staffs work effectively. Which of the below term is **BEST** reflecting this situation?

A. Nonprogrammed decision.
B. Bias decision making.
C. Programmed decision.
D. Rational decision.

23. Kee Soon Jia is responsible to make an important decision for his company, but his decision is unreliable because of his limited capacity to process the information. This situation is related to _____.

A. satisfying
B. bounded rationality
C. coalition
D. anchoring

24. _____ stated that managers have to select alternative courses of action that are only slightly different from those used in the past decision making.

A. Unstructured model
B. Linear model
C. Incremental model
D. Programmed model

Continued...

25. A decision making becomes a _____ in which problems, solutions and people are all mixed and contend for organisational actions.

A. "garbage-can"
B. learning process
C. exploitation
D. ready-made solution

26. Fong Ying who works in OAC Sdn. Bhd., practice organisational learning by refining and improving existing organisational activities and procedures. This type of organisational learning is called _____.

A. open learning
B. exploitation
C. exploration
D. blended learning

27. Which of the following statements is **TRUE** regarding codification approach?

A. Codification approach is related to knowledge that is carefully collect, analyse, and stored in databases where it will be retrieve easily by users.
B. Codification approach is about using information technology (IT) in the learning process.
C. Codification approach is a learning process involving sharing and integrating of expertise.
D. Codification approach is converting information to knowledge.

28. Which of the following factor from cognitive bias that can distort organisational decision making?

A. Ego defensiveness.
B. Clear communication.
C. Openness.
D. Sufficient knowledge on the problem

29. In order to improve decision making and learning, companies can implement the Game Theory. _____ is where players act at the same time in ignorance of their rival's current actions.

A. Sequential move game
B. Autonomous move game
C. Simultaneous move game
D. Monotonous move game

30. A group of like-minded people come together to interpret events and information in similar way. This is best referring to _____.

A. mechanistic
B. heterogeneity
C. devil's advocate
D. groupthink

Continued...

31. Based on the Pondy's model of organisational conflict, which of the below is **NOT** the sources of conflict?

A. Bureaucratic factors.
B. Compatible performance criteria.
C. Competition for resources.
D. Differences in goals.

32. Which of the following ways can be implemented by a company to manage the conflict occur in structural level?

A. Assign lower level managers to solve conflict.
B. Decreasing the number of integrating roles.
C. Rethink the hierarchy or reporting chain.
D. Maintain the level of differentiation.

33. _____ is the ability of one person or group to overcome resistance by others to achieve a desired result.

A. Organisational power
B. Organisational effectiveness
C. Organisational frequency
D. Organisational resolution

34. Which of the following statements is most likely to be a source of organsational power?

A. Benny who is a manager in his company does not have authority towards his subordinates.
B. Ah Gan is able to control the resources effectively. This results in the efficiency of the production line.
C. Vivian Law who works with MMU, does not have sufficient control over the information of their competitors. This results to difficulty in solving problem of competitive advantage.
D. Si En who is a neurosurgeon doctor, do not have the ability to diagnose a patient with eye problem.

35. Which of the following is **NOT** a tactic for playing politics?

A. Increasing centrality.
B. Controlling the agenda.
C. Bringing outside expert.
D. Decreasing the nonsubstitubility.

36. All organisation consist of different group of stakeholders. If each stakeholder group has its own goals and interest, which overlap or not same, _____ will occur.

A. organisational cohesiveness
B. organisational mix
C. organisational conflict
D. organisational freedom

Continued...

37. _____ is when a decision results from bargaining between subunits, which improves the quality of organisational decision making.

A. Power imbalance
B. Power distribution
C. Power balance
D. Power distortion

38. Which of the following will occur if a manager can suppress their view against their own interest?

A. Debates among staff is encourage.
B. Good conflict increases.
C. Organisational inertia decreases.
D. Check and balance fade.

39. Which of the below situation occurs in the manifest conflict stage base on the Pondy's model of organisational conflict?

A. Subunits aware of conflict happening in the company.
B. Subunits respond emotionally.
C. Subunits try to get back at each other.
D. Conflict is resolve.

40. Research shows that some conflict can be good for the company, but there is a certain limit in the relationship between conflict and organisational effectiveness. Extreme conflict that can appear between both parties will bring big impact on the company. Based on this situation, what kind of negative impact will a company face?

A. Shareholder stop investing in the company.
B. Production of goods will increase.
C. Sales will increase drastically.
D. Obtain new skillful workers.

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SECTION B: [60 Marks]

QUESTION 1

a. Lee Kok Wei Sdn Bhd is facing issues in the company resulted by the poor choice of organisational design. The company's managers have selected a design that does not match their company's goals. This had made it difficult for the other staffs to control the activities to achieve its goals.

Based on your understanding of the above situation, list down any **THREE (3)** possible problems that can occur due to poor organisational design.

(6 marks)

b. List and explain the **THREE (3)** ways managers can use to measure their organisational effectiveness. (6 marks)

c. When managers measure their company's effectiveness, they will reflect it to their organisational goals. List the **THREE (3)** organsational goal that is being used as a reference to match the company's effectiveness. (3 marks)

(TOTAL 15 MARKS)

QUESTION 2

a. In this new era of globalisation, future organisations need to really understand the environment surrounding them. The general environment plays an important role in shaping and will give a direct impact to the ability of an organisation to obtain resources. List and explain **FOUR (4)** general environment forces that can give an impact to the organisations. (8 marks)

b. Define 'resource dependency theory'. (2 marks)

(TOTAL 10 MARKS)

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QUESTION 3

a. Praselan Corporation is adopting just-in-time system for their production line. By using this system, the production staffs are required to prepare the input and components needed for production to be delivered to the conversion process just as they are needed.

You as a new staff in the production line, is required to list and explain the four process involve in just-in-time inventory system. (8 marks)

b. Technology can exist in three different level of an organisation. Briefly list and explain the **THREE (3)** levels where technology exists in an organisation. (6 marks)

c. Define the below terms:

i. Computer-aided design (CAD) (2 marks)
ii. Computer-aided materials management (CAMM) (2 marks)
iii. Computer-integrated manufacturing (CIM) (2 marks)

(TOTAL 20 MARKS)

QUESTION 4

a. Innovation in should be an organisation's norm. This will eventually help the organisation to produce new product, services or process. With innovation, an organisation can achieve competitive advantage. But in order to reach the level of successful innovation, managers need to know the correct process of managing an innovation.

Based on the situation above, answer the following questions:

i. List down and explain the **THREE (3)** process in managing innovation base on the stage-gate development funnel. (6 marks)

ii. List down the **ONE (1)** leadership style in the process of innovation. (1 marks)

iii. In developing innovation, organisation needs to make sure that the entire organisation support the innovation process. Organisation needs to create a positive culture in accepting and supporting the innovation process. Describe **THREE (3)** ways an organisation can develop an organizational culture to support the innovation process and development. (6 marks)

b. Define 'skunk work'. (2 mark)

(TOTAL 15 MARKS)

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